

**BEFORE THE  
FEDERAL COMMUNICATIONS COMMISSION  
WASHINGTON, D.C. 20554**

In the matter of:	)	
	)	
Level 3 Communications LLC's Petition	)	WC-03-266
For Forbearance	)	
	)	
	)	

**COMMENTS OF THE IOWA UTILITIES BOARD**

**Introduction**

On January 2, 2004, the Federal Communications Commission (FCC) released notice entitled "*Pleading Cycle Established for Petition of Level 3 for Forbearance from Assessment of Access Charges on Voice-Embedded IP Communications*" in WC Docket No. 03-266. The FCC is seeking comments on Level 3 Communications LLC's (Level 3) petition to forbear local exchange carriers from imposing interstate or intrastate access charges on Internet protocol (IP) traffic that originates or terminates on the public switched telephone network (PSTN) or on PSTN-PSTN traffic that is incidental thereto. This Petition for Forbearance was filed December 23, 2003. Level 3 contends that this forbearance will allow IP communications that embed voice applications to develop with the cleanest regulatory slate possible, and will result in needed regulatory certainty, increased investment, and product and technology innovation.

## **Discussion**

The comments the Iowa Utilities Board submitted in Vonage Holdings Corporation's Petition for Declaratory Ruling in WC Docket No. 03-211 on October 27, 2003, remain pertinent.

First, the standards and regulation of telecommunications services should be technologically neutral, that is, based on the function served rather than the equipment or protocol used. This will preserve and enhance competitive neutrality in the regulation of companies using different technologies to provide similar services.

Second, states have the right and the obligation to examine local service issues. 47 USC § 253(b) preserves the states' authority to "ensure the continued quality of telecommunications services" within each state. Section 252(e)(3) authorizes a State commission, in its review of an interconnection agreement, to establish and to enforce "other requirements of State law[,] including compliance with intrastate telecommunications service quality standards or requirements." Section 251(d)(3) provides that the FCC shall not preclude the enforcement of any regulation, order, or policy of a state commission that (A) establishes access and interconnection obligations of local exchange carriers; (B) is consistent with the requirements of § 251; and (C) does not substantially prevent implementation of the requirements of § 251 and the purposes of the Telecommunications Act of 1996.

Third, the FCC needs to examine Voice over Internet Protocol (VoIP) in greater detail before taking any action. The FCC has stated that it will initiate a

VoIP NPRM in the very near future. The current docket does not allow for extensive review of all the potential impacts this new technology may have on the telecommunications industry. It has the potential to undermine the existing methods of intercarrier compensation. Ruling on Level 3's petition could give rise to a precedent that may be problematic at a later time. The FCC should not grant Level 3's petition in this docket. Further, the FCC should deny all petitions for exemption from regulation and/or exemption of paying access charges pending the completion of the NPRM.

March 1, 2004

Respectfully submitted,

Iowa Utilities Board  
350 Maple Street  
Des Moines, Iowa 50319  
Voice: (515) 281-4034  
Fax: (515) 281-5329  
E-mail: [john.ridgway@iub.state.is.us](mailto:john.ridgway@iub.state.is.us)

\_\_\_\_\_/s/\_\_\_\_\_  
David Lynch  
General Counsel

\_\_\_\_\_/s/\_\_\_\_\_  
John Ridgway  
Telecommunications Mgr.

\_\_\_\_\_/s/\_\_\_\_\_  
Dennis Rosauer  
Utility Specialist